

**Stipulated Award
FINRA Dispute Resolution Services**

In the Matter of the Arbitration Between:

Claimant
Wells Fargo Clearing Services, LLC

Case Number: 20-00147

vs.

Respondent
Stuart Adam Cohen

Hearing Site: Las Vegas, Nevada

Awards are rendered by independent arbitrators who are chosen by the parties to issue final, binding decisions. FINRA makes available an arbitration forum—pursuant to rules approved by the SEC—but has no part in deciding the award.

Nature of the Dispute: Member vs. Associated Person

REPRESENTATION OF PARTIES

For Claimant Wells Fargo Clearing Services, LLC: Timothy N. Will, Esq., Albert & Will LLP, Torrance, California.

For Respondent Stuart Adam Cohen: Brenda Kay Brown, Esq., Law Offices of Brenda Kay Brown, Dallas, Texas.

CASE INFORMATION

Statement of Claim filed on or about: January 15, 2020.
Answer to Counterclaim filed on or about: January 25, 2021.
Claimant signed the Submission Agreement: January 21, 2020.

Statement of Answer and Counterclaim filed on or about: April 6, 2020.
Respondent signed the Submission Agreement: April 15, 2020.

CASE SUMMARY

In the Statement of Claim, Claimant asserted a cause of action for breach of a promissory note dated May 31, 2016 (“Note”). Claimant alleged that the remaining balance of the Note became due upon the termination of Respondent’s employment with Claimant.

In the Statement of Answer and Counterclaim, Respondent denied the allegations made in the Statement of Claim, asserted various affirmative defenses and asserted the following causes of action: breach of contract, omission of facts, and misrepresentation. Respondent alleged that Claimant's acts forced him to resign and end his employment with Claimant.

In the Answer to Counterclaim, Claimant denied the allegations made in the Statement of Answer and Counterclaim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. Principal balance due and owing under the Note and its amendment and interest accrued during the term of the Note at the rate of 1.42% per annum in the amount of \$120,389.44;
2. Interest at the rate of 4.42% per annum on the balance due and owing under the Note from the date of default (May 1, 2019) until the date of payment;
3. Costs of collection and of this proceeding, including attorneys' fees and costs as agreed to under the terms of the Note; and
4. Any and all further relief the Panel deems just and proper.

In the Statement of Answer and Counterclaim, Respondent requested:

1. Compensatory damages in the amount of \$150,000.00 for the unpaid, 15-month revenue bonus in August 2017;
2. Compensatory damages in the amount of \$9,158.00 from Year 2 revenue;
3. Costs of collection and proceedings, including attorneys' fees; and
4. Any and all further relief the Panel deems just and proper.

In the Answer to Counterclaim, Claimant requested:

1. Respondent's Counterclaims be denied in their entirety; and
2. An award against Respondent as requested in the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

On June 21, 2021, Respondent filed a Motion to Amend Statement of Answer and Counterclaim, to which no response was filed. The case was settled before this motion could be considered by the Panel.

On August 9, 2021, the parties filed a Motion for Entry of a Stipulated Award. On August 11, 2021, the Panel granted the motion.

The Stipulated Award in this matter may be executed in counterpart copies.

AWARD

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for entry of a Stipulated Award, and the written stipulation thereto, the Panel grants the motion and enters this Stipulated Award granting the following relief:

1. Respondent is liable for and shall pay to Claimant the principal sum of \$120,389.44, plus interest at the rate of 4.42% per annum from July 25, 2019 to the date of payment in full.
2. Respondent is liable for and shall pay to Claimant attorneys' fees and expenses in the amount of \$15,000.00.
3. All unpaid and outstanding FINRA fees will be paid by the party against whom the fees were originally assessed. Respondent is liable for and shall pay to Claimant all future FINRA fees to the extent allowed by FINRA's rules.
4. Respondent is liable for and shall pay to Claimant any and all additional attorneys' fees and costs incurred in connection with collecting the foregoing amounts owed pursuant to this Stipulation.
5. Respondent's Counterclaims are dismissed with prejudice.
6. Any amounts paid by Respondent under the Settlement Agreement prior to default shall be applied to, and credited toward, the amounts set forth in this Stipulate Award.
7. The Stipulated Award shall not be enforced by Claimant against Respondent unless Respondent defaults under the Settlement Agreement and Release and fails to timely cure such default. If Respondent makes full, complete and timely payments under the Settlement Agreement and Release, the Stipulated Award shall become null and void.
8. Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code of Arbitration Procedure ("Code"), the following fees are assessed:

Filing Fees

FINRA Dispute Resolution Services will retain or collect the non-refundable filing fees* for each claim:

Initial Claim Filing Fee	= \$	2,125.00
Counterclaim Filing Fee	= \$	1,425.00

**The filing fee is made up of a non-refundable and a refundable portion.*

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Claimant is assessed the following:

Member Surcharge	= \$	1,700.00
Member Process Fee	= \$	3,250.00

Postponement Fees

Postponements granted during these proceedings for which fees were assessed or waived:

January 27-28, 2021, postponement requested by Claimant		WAIVED
July 13-16, 2021, postponement requested by Parties	= \$	1,125.00

Total Postponement Fees	= \$	1,125.00
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The Panel has assessed \$562.50 of the postponement fees to Claimant.
The Panel has assessed \$562.50 of the postponement fees to Respondent.

Last-Minute Cancellation Fees

Fees apply when a hearing on the merits is cancelled within ten calendar days before the start of a scheduled hearing session:

July 13-16, 2021, cancellation requested by Parties	= \$	1,800.00
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Total Last-Minute Cancellation Fees	= \$	1,800.00
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The Panel has assessed \$900.00 of the last-minute cancellation fees to Claimant.
The Panel has assessed \$900.00 of the last-minute cancellation fees to Respondent.

Hearing Session Fees and Assessments

The Panel has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the Arbitrator(s), including a pre-hearing conference with the Arbitrator(s), which lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) pre-hearing session with single Arbitrator @ \$450.00/session	= \$	450.00
Pre-Hearing Conference: May 27, 2020		1 session

One (1) pre-hearing session with the Panel @ \$1,125.00/session Pre-Hearing Conferences: March 29, 2021	1 session	= \$	1,125.00
Decision on the papers:		= \$	300.00
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Total Hearing Session Fees		= \$	1,875.00

The Panel has assessed \$787.50 of the hearing session fees to Claimant.
The Panel has assessed \$1,087.50 of the hearing session fees to Respondent.

All balances are payable to FINRA Dispute Resolution Services and are due upon receipt.

ARBITRATION PANEL

Erik R. Siering	-	Public Arbitrator, Presiding Chairperson
David Neil Salmon	-	Public Arbitrator
Richard L Galin	-	Non-Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

Concurring Arbitrators' Signatures

Erik R. Siering

Erik R. Siering
Public Arbitrator, Presiding Chairperson

09/13/2021

Signature Date

David Neil Salmon

David Neil Salmon
Public Arbitrator

09/13/2021

Signature Date

Richard L Galin

Richard L Galin
Non-Public Arbitrator

09/17/2021

Signature Date

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September 23, 2021

Date of Service (For FINRA Dispute Resolution Services use only)

